



# Fitch BBB- with positive outlook and S&P with stable outlook underline SBB's strong financial position

Fitch Ratings (“Fitch”) and S&P Global Ratings (“S&P”) have today both confirmed Samhällsbyggnadsbolaget i Norden AB (publ) (“SBB”)’s investment grade rating BBB-. Fitch confirms its rating with a positive outlook and S&P updates its rating to a stable outlook.

The rating from Fitch reflects the stability of SBB’s rental income from community service properties and Swedish rent regulated residential, where the share of income from rent regulated residential has increased, as well as SBB’s focus on deleveraging. Factors that can lead to a rating upgrade include net debt / EBITDA below 12.5x (or 14.5x 2022 pro forma) based on the existing property portfolio, where approximately 25 percent of rental income comes from Swedish rent regulated residential. In the most recent previous rating report, the corresponding key ratio was stated to be 11.5x based on a portfolio where 20 percent of the rental income came from Swedish rent regulated residential, which means that the conditions for an upgrade have been strengthened.

S&P states in its report that the stable outlook indicates that SBB’s properties continue to be promoted by high demand for community service properties and Swedish rent regulated residential thanks to favorable demographic trends and housing shortages in the Nordic region. At the same time, it is estimated that SBB’s future financing costs may increase given the weakened credit market, which is the reason for the adjustment to a stable outlook.

“We are determined to continue our work to strengthen our long-term financial position. Therefore, it is gratifying that Fitch has drawn attention to our growing stock of rent regulated residential and presents key figures that make it easier for us to obtain a higher rating. We feel confident to also achieve the key figures for higher ratings that S&P presents,” comments Ilija Batljan, CEO and Founder of Samhällsbyggnadsbolaget i Norden AB.

## **For further information, please contact:**

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*Samhällsbyggnadsbolaget i Norden AB (publ) (SBB) is the Nordic region’s leading property company in social infrastructure. The Company’s strategy is to long term own and manage social infrastructure properties in the Nordics and rent regulated residential properties in Sweden, and to actively work with property development. Through SBB’s commitment and engagement in community participation and social responsibility, municipalities and other stakeholders find the Company an attractive long-term partner. The Company’s series B shares (ticker SBB B) and D shares (ticker SBB D) are listed on Nasdaq Stockholm, Large Cap. Further information about SBB is available at [www.sbbnorden.se](http://www.sbbnorden.se).*